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10 **BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT**
11 **OF THE STATE OF CALIFORNIA**

<p>12 In the Matter of:</p> <p>13 THE COMMISSIONER OF BUSINESS</p> <p>14 OVERSIGHT,</p> <p>15 Complainant,</p> <p>16 v.</p> <p>17 EXPRESS CASH NETWORK, INC., a</p> <p>18 California corporation,</p> <p>19 Respondent.</p>	<p>OAH CASE NO. 2018020022</p> <p>CDDTL LICENSE NO. 100-4325 and</p> <p>10DBO-41927</p> <p>SETTLEMENT AGREEMENT</p>
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21 This Settlement Agreement is entered between the Commissioner of Business Oversight
22 (Commissioner) and Express Cash Network, Inc. (Respondent) and is made with respect to the
23 following facts:

24 RECITALS

25 A. The Commissioner has jurisdiction over the licensing and regulation of persons and

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1 entities engaged in business under the California Deferred Deposit Transaction Law (CDDTL) (Fin.
2 Code, § 22000 et seq.)¹

3 B. Respondent is, and was at all relevant times herein, a corporation incorporated in
4 California on July 1, 2005.

5 C. Respondent is licensed by the Commissioner to conduct deferred deposit transactions
6 at two locations: license no. 100-4325, at 2418-D Foothill Boulevard, La Verne, CA 92750; and
7 license 10DBO-41927, at 8151 Arlington Avenue, Suite Q, Riverside CA 92503. License no.
8 10DBO-41927 was issued on November 10, 2014.

9 D. On October 21, 2016, a regulatory examination of Respondent was commenced. Prior
10 to obtaining a valid license for the Riverside location, Respondent had purchased a previously
11 existing payday loan business for the Riverside location from X-Press Cash Til Payday, Inc., which
12 had surrendered its license (no. 100-3812) as of June 24, 2014. The examination conducted for
13 Respondent’s Riverside location, license no. 10DBO-41927, was this location’s first examination.
14 As such, Department procedures dictate that the examination be conducted as of the license activation
15 date of November 10, 2014. During the examination of the Riverside location (license no. 10DBO-
16 41927), a deferred deposit transaction made on October 31, 2014, was discovered. Due to the
17 deferred deposit transaction not being recorded on the software-generated Payday Advance Report,
18 the Department examiner conducted a physical review of all loans created at the commencement of
19 the Riverside location’s business. In total, thirteen deferred deposit transactions were found to have
20 been made between October 31, 2014, and November 8, 2014, all of which were made prior to the
21 Riverside location’s license activation date of November 10, 2014.

22 E. On November 20, 2017, the Commissioner issued against Respondent a Desist and
23 Refrain Order Pursuant to California Financial Code Section 23050; Order Voiding Transactions
24 Pursuant to California Financial Code Section 23060; and Order Levying Administrative
25 Penalties for Citations Issued Pursuant to California Financial Code Section 23058. A copy of the
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27 ¹ Effective October 4, 2017, the name of the “California Finance Lenders Law” changed to the “California
28 Financing Law.” (Assem. Bill No. 1284 (2017-2018 Reg. Sess.) §4.) For purposes of this document, a
reference to the California Finance Lenders Law means the California Finance Lenders Law before October 4,
2017 and the California Financing Law on and after that date. (Cal. Fin. Code, § 22000.)

1 foregoing is attached and incorporated herein as Exhibit A.

2 F. It is the intention and desire of the Parties to resolve this matter without the
3 necessity of a hearing and/or other litigation.

4 NOW, THEREFORE, in consideration of the foregoing and the terms and conditions set
5 forth herein, the parties agree as follows:

6 TERMS AND CONDITIONS

7 1. Purpose. It is the intention and desire of the parties to resolve this matter without the
8 necessity of a hearing or other litigation for the purpose of judicial economy and expediency and to
9 avoid the expense of a hearing and possible further court proceedings.

10 2. Acknowledgment. Respondent acknowledges that on November 20, 2017, the
11 Commissioner issued a Desist and Refrain Order Pursuant to California Financial Code Section
12 23050; Order Voiding Transactions Pursuant to California Financial Code Section 23060; and
13 Order Levying Administrative Penalties for Citations Issued Pursuant to California Financial
14 Code Section 23058 (Exhibit A).

15 3. Waiver of Hearing Rights. Respondent agrees that this Settlement Agreement shall
16 have the effect of withdrawing his request for an administrative hearing on the Commissioner’s
17 Orders referenced above, and hereby waives such right to a hearing and to any reconsideration,
18 appeal, or other rights which may be afforded it under the CDDTL, the Administrative Procedure Act
19 (APA) (Gov. Code, § 11370 et seq.), the Code of Civil Procedure (CCP) (Code Civ. Proc., § 1 et
20 seq.), or any provision of law in connection with this matter.

21 4. Desist and Refrain Order. Respondent hereby agrees and stipulates that the Desist and
22 Refrain Order referenced in Paragraph 2 is a final Order of the Commissioner and is not subject to
23 review by any court or agency.

24 5. Order Levying Administrative Penalties. Respondent hereby agrees and stipulates that
25 the Order Levying Administrative Penalties referenced in Paragraph 2 is a final Order of the
26 Commissioner and is not subject to review by any court or agency. Respondent shall pay the
27 Commissioner two-thousand, five-hundred dollars (\$2,500.00) due and payable to the
28 “Commissioner of Business Oversight” 30 days from the date of this Order. Payment should be

1 mailed to the Department of Business Oversight, Attn: Accounting-Litigation, 1515 K Street, Suite
2 200, Sacramento, California 95814.

3 6. Order Voiding Transactions: In consideration of the terms and obligations described
4 in this Settlement Agreement, the Commissioner hereby withdraws the Order Voiding Transactions
5 referenced in Paragraph 2.

6 7. Full and Final Settlement. The parties hereby acknowledge and agree that this
7 Settlement Agreement is intended to constitute a full, final, and complete resolution of Respondent's
8 alleged violations of the CDDTL as identified herein. No further proceedings or actions will be
9 brought by the Commissioner in connection with these matters under the CDDTL or any other
10 provision of law, excepting any proceeding to enforce compliance with the terms of this Settlement
11 Agreement or action if such proceeding is based upon discovery of new and further violations of the
12 CDDTL which do not form the basis for this Settlement Agreement or which Respondent knowingly
13 concealed from the Commissioner.

14 8. Commissioner's Duties. The parties further acknowledge and agree that nothing in this
15 Settlement Agreement shall limit the Commissioner's ability to assist any other agency (city, county,
16 state, or federal) with any prosecution, administrative, civil, or criminal, brought by any such agency
17 against Respondent or any other person based upon any of the activities alleged in these matters or
18 otherwise.

19 9. Binding. This Settlement Agreement is binding on all heirs, assigns, or successors in
20 interest.

21 10. Independent Legal Advice. Each of the parties represents, warrants, and agrees that it
22 has had the opportunity to obtain independent advice from its attorney(s) or representative(s) with
23 respect to the advisability of executing this Settlement Agreement.

24 11. Counterparts. The parties agree that this Settlement Agreement may be executed in
25 one or more separate counterparts, each of which shall be deemed an original when so executed. Such
26 counterparts shall together constitute and be one and the same instrument.

27 12. Waiver, Modification, and Qualified Integration. The waiver of any provision of this
28 Settlement Agreement shall not operate to waive any other provision set forth herein. No waiver,

1 amendment, or modification of this Settlement Agreement shall be valid or binding to any extent
2 unless it is in writing and signed by all the parties affected by it.

3 13. Headings and Governing Law. The headings to the paragraphs of this Settlement
4 Agreement are inserted for convenience only and will not be deemed a part hereof or affect the
5 construction or interpretation of the provisions hereof. This Settlement Agreement shall be construed
6 and enforced in accordance with and governed by California law.

7 14. Full Integration. Each of the parties represents, warrants, and agrees that in executing
8 this Settlement Agreement it has relied solely on the statements set forth herein and the advice of its
9 own counsel. Each of the parties further represents, warrants, and agrees that in executing this
10 Settlement Agreement it has placed no reliance on any statement, representation, or promise of any
11 other party, or any other person or entity not expressly set forth herein, or upon the failure of any
12 party or any other person or entity to make any statement, representation, or disclosure of anything
13 whatsoever. The parties have included this clause: (1) to preclude any claim that any party was in any
14 way fraudulently induced to execute this Settlement Agreement; and (2) to preclude the introduction
15 of parol evidence to vary, interpret, supplement, or contradict the terms of this Settlement Agreement.

16 15. Presumption from Drafting. In that the parties have had the opportunity to draft,
17 review, and edit the language of this Settlement Agreement, no presumption for or against any party
18 arising out of drafting all or any part of this Settlement Agreement will be applied in any action
19 relating to, connected to, or involving this Settlement Agreement. Accordingly, the parties waive the
20 benefit of Civil Code section 1654 and any successor or amended statute, providing that in cases of
21 uncertainty, language of a contract should be interpreted most strongly against the party that caused
22 the uncertainty to exist.

23 16. Voluntary Agreement. Respondent enters into this Settlement Agreement voluntarily
24 and without coercion and acknowledges that no promises, threats, or assurances have been made by
25 the Commissioner, or any officer or agent thereof, about this Settlement Agreement.

26 17. Effective Date. This Settlement Agreement shall become final and effective when
27 signed by all parties and delivered by the Commissioner’s agent via U.S. Mail to Respondent at its
28 address of record.

1 18. Notice. Any notices required under this Settlement Agreement shall be provided to
2 each party at the following addresses:

3 If to Respondent to: Arun D. Tolia
4 Express Cash Network, Inc.
5 2353 Foothill Boulevard
6 La Verne, CA 91750

7 If to the Commissioner to: Robert Lux, Senior Counsel
8 Department of Business Oversight
9 1350 Front Street, Suite 2034
10 San Diego, CA 92101

11 19. Authority to Execute. Each signatory hereto covenants that he/she possesses all
12 necessary capacity and authority to sign and enter into this Settlement Agreement.

13 IN WITNESS WHEREOF, the parties hereto have approved and executed this Settlement
14 Agreement on the dates set forth opposite their respective signatures.

15 Dated: June 1, 2018

JAN LYNN OWEN
Commissioner of Business Oversight

17 By _____

18 MARY ANN SMITH
19 Deputy Commissioner
20 Enforcement Division

21 EXPRESS CASH NETWORK, INC., Respondent

22 Dated: May 31, 2018

By _____

23 ARUN D. TOLIA
24 On behalf of Express Cash Network, Inc.